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Andhra State is not agreeable to such a course. They feel that the project must be considered more as their property and Mysore State must merely utilize the water and pay according to an agreement. Even if it becomes the property of Mysore State, Andhra State will become merely recipients of the waters to the extent of the agreement. Whether that position should be conceded or the position I suggested should be agreed upon—it is for you to take a decision. But the Government of India probably are more inclined towards the representation made by the Madras Government and they have worded the clause accordingly. Here, we are more or less like lessees or tenants and not owners of property as such.

Sri M. V. RAMA RAO.—62 (a) resolves all doubts and difficulties. The Seventh Schedule defines "land" as including everything such as water stored in the reservoir, hydro-electric works under the Tungabhadra Project, the head works, etc., and all that would come under the definition of land, the land that would pass on to Mysore as soon as the Bill becomes law, then the territory on which it stands would become Mysore State's. Therefore, the question of ownership of the project, I think, is not open to serious doubt. It is not merely legal ownership of it .....

Sri L. SIDDAPPA.—Please see clause (i) of the Seventh Schedule which reads "Subject to the other provisions of this Schedule, all land and all stores .....

Sri M. V. RAMA RAO.—That is why I was suggesting that the other provisions of the Seventh Schedule, which require careful examination, would assist us to determine what we should do. 62 (a) which was not in the original Bill has been superadded and it has presented serious difficulties. In fact, it is a matter on which any further time we spend would certainly be helpful to the Government. Since it is already time, unless the House sits longer, we may hold over consideration of this clause for tomorrow.

Mr. SPEAKER.—That would be more desirable and profitable.

Sri K. HANUMANTHAIYA.—I agree, Sir.

Mr. SPEAKER.—So far as the remaining clauses are concerned I will put them to the vote of the House. The question is :

"That clauses 63 and 64 stand part of the Bill."

The motion was adopted.

Mr. SPEAKER.—Schedule 1 to 6. The question is :

"That the Schedules 1 to 6, both inclusive, stand part of the Bill."

The motion was adopted.

Mr. SPEAKER.—The remaining schedules and some of the clauses which are reserved will be taken up tomorrow.

Sri A. BHEEMAPPA NAIK.—We feel like having holiday on Saturday ; we are having two holidays and if one day which is intervening is also made a holiday, it would give the Members some respite to go to their places and come. We used to sit for 3 to 4 hours on Saturday and that can be made up on Monday or any other day.

DISCUSSION ON QUESTIONS Nos. 212 AND 213.

Administration of the Bangalore Race Club.

Mr. SPEAKER.—Now discussion on matters of public importance arising out of answers to questions to raise discussion in respect of questions Nos. 212 and 213, regarding the administration of the Race Club by Sri S. Srinivasa Iyengar.

Sri S. SRINIVASA IYENGAR.— Sir, in answers to questions I had put on the other day, *i.e.*, Nos. 212 and 213 about the management of the Race Club at Bangalore, I wish to deal at length about some of the most important points on this subject. In the first instance, Sir, horse-racing is considered to be a royal sport all over the world and Bangalore especially is favoured most by all the horse-owners because of its good climate and a good race course. Sir, the object of forming such clubs is to encourage riding clubs, horse breeding and other important matters but here, Sir, as we see, in the Bangalore Race Club, people are losing confidence in the management of the Bangalore Race Club and consequently the Government are not getting a good income. Horse racing is licensed under the Mysore Race Courses Licensing Act of 1952 and under Section 4, sub-paras (f) and (h) the Government have full powers to see how the Bangalore Race Club and other Race Clubs in Mysore State are being managed. The Bangalore Race Club had a membership of about 50 just two years back and today it has widened its membership to the tune of nearly 150 and people say that this number has increased solely for the purpose of retaining seats by some members in the Managing Committee to further their vested interests. How far these allegations are true, I do not know. I leave it to the Government to enquire into the matter and see whether the Membership has been enlarged solely for this purpose or not.

Sir, in addition to that the Government, in this clause have the power to nominate five members to the Managing Committee of the Race Club. Out of these five, three are nominated to the Managing Committee and two as Stewards. No doubt it is true, Sir, that the Rajpramukh nominates two amongst these five, generally, it is the Government that recommends the names for such nomination. Well, Sir, the Government should naturally nominate members who have experience in horse-racing or who know the business of managing these clubs. It will be in the interest of Government and in the interest of the people if proper care is taken at the time of nominating such members to these Clubs. Sir, I have come to know that the Race Club of Bangalore is about to lose eighty thousand or a lakh this year. There is no reason why the Race Club should lose to that tune because the Race Club gets a definite percentage of about 12½ per cent in the collection of totalizator. Previous year Sri H. B. Gundappa Gowda was a Steward of the Race Club and the Club was managed very well. He has tendered his resignation for the Stewardship of the Race Club. It is also clear that he has adduced certain reasons and the report is before the Government. I do not know how far Government have taken action about it. The most important thing is, it is the Steward that is the key in a Race Course. He must be a man of very high standard and is really very important in the Race Course, because he is the Judge. It is he who decides which horse wins, and which horse has lost. So, it is the Steward that is the most important person in Race Course. But I learn from the race goers that the Steward in the Bangalore Race Course bets. He owns horses and his horses run in events wherein he is deemed to be a Judge. I put it to the Government how far such a Steward can be just and equitable when there is a complaint. Much more than that I learn that the Steward whose horse is running in that race is a starter also. That means what a great inconvenience for the racing public ? After all, Sir, in a race course it is the large volume of people that get into it that matters. The rich man makes money anywhere. It is the poor man and the middle-class man that gets into the race course and puts his money in the totalizator. The totalizator bet is a standard bet. It is on the amount

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collected there that 12½ per cent goes to the Race Club and 12½ per cent to the Government, and the rest divided to the several horses that win. But, it is the book-maker that maintains records and book-maker is licensed by the Race Club and the Race Club is authorised to license. If there is an understanding between the Race Club and the Book-Maker, then the Government will be swindled and the public also will seriously lose money. The man who collects the tax is the Book-Maker. It is he who collects this Betting Tax. Even with the increase in betting tax to 12½ per cent, Government have not been able to get even one lakh more than what they used to get when it was 8 per cent betting tax. I submit, it may be true, it may be wrong. But, it is a matter wherein the Government should get in straightaway and see why inspite of the rise in the betting tax, Government is not getting the revenue that it ought to. So, the Book-Maker can enter into an agreement with all punters, by punters I mean the habitual race goers, ...

.....

Sri H. SIDDAVEERAPPA (Minister for Home and Industries).— Are you one of them? (*Laughter*).

Sri S. SRINIVASA IYENGAR.— I am not, Sir. (*Laughter*). So, whatever may be the amount that the punter bets with the book-maker, it is open to the book-maker to enter less amount and thereby he would be evading the tax to Government and benefiting the rich. It is a swindling of the poor because the poor depend mainly on the totalizer In fact if there is agreement between the steward and the book-maker as regards the horse that is to win, the entire race-going public will lose money. It is only here, I submit that the Government should straightaway get into the problem and make necessary investigations. They have full powers under the provisions of the Race Course Licensing Act. Section 4, sub-clause 1 (f) says :

> " the inclusion or association to such persons as the Government may nominate as stewards or members in the conduct and management of horse-racing,
>
> (*h*) such other matters connected with horse-racing and the maintenance of Race Course for which in the opinion of the Government, it is necessary or expedient to make provisions in the licence ".

Under the amendment to Betting Tax Act also they have powers. For instance, Section 11 states :

> " If any licensee or licensed book-maker evades or attempts to evade the collection or payment of the totalizator tax or betting tax, as the case may be, leviable and payable under this Act, or fails to maintain the accounts or supply any information which such licensee or book-maker is required to maintain or supply by or under this Act, or knowingly maintains false accounts or supplies false information, such licensee or book-maker shall be punishable with imprisonment which may extend to six months, or with fine, or with both ".

So, when the Government is armed with such large powers, I really wonder why they have not looked into it hitherto. I am sure the Government will immediately take it up to enlarge the Committee, nominate such persons who know something about racing and who maintain contact with Government.

[A VOICE : High integrity also.]

Yes. Integrity too. The most important thing I would press upon is that the person nominated by the Government as their nominee either by the Rajpramukh or by the Government should have contact with Government ; he must indicate to Government every time the racing season is over what happened ; he must also try to put before Government what proposals the Race Club will have for

ratification at their meeting. In fact the nominees of Government have not sent any report to the Government up till now. It is a most important thing to see that a link is maintained between the Race Club and the Government. Race Club is the Government, I would go to the extent of saying that, because horses from all parts of India are drawn to Bangalore; they come here because the climate is good, the condition is favourable, and the race itself is conducted in good standard.

In addition to that, I would like to draw the attention of the Government to one other thing. There is what is called the prospectus and the fixing of allocation of prizes. That is done according to certain standards, as class 3 horses, class 4 horses, etc. So, the horses are divided into several classes. If you should believe in the Committee which has vested interest and which owns horses, don't you think that they would change and allocate money to suit their own convenience? There are certain instances of that kind. If the Government will only look into the matter and see they will find that class 3 horses are awarded lesser amount as prize money than class 4. How can that be? I believe there must be something. I do not know, I am not sure of that, I am just suggesting to the Government. It is one of the most important Clubs and the Government should therefore see to its being properly managed. For such management they should take all steps necessary to safeguard the interests of the public.

My suggestion is that the stewards should not have any vested interests and they should not bet and that the committee must constantly have a watch over the affairs of the club. I am putting it to you, the Bangalore Race Club was never known to have lost anything. They have not only lost a lakh of rupees this year, it is said that they have an over-draft account with the Bank. How could it happen? The total turn-over of the Race Club is in the order of a crore of rupees per year. The Government's portion of money alone comes to 15 lakhs per year as betting tax. The correct figure is 15,73,194 which constitutes only 12½ per cent which is 1/8th of the total turn-over of the Club. They will be collecting a crore of rupees and what is the vigilance you must have on this club?

Further Sir, I also learn that a lot of mismanagement is going on. Oats, one of the most important food for horses, it seems they are buying at Madras at prices that are stated to be double of what is quoted in Mysore State.

A MEMBER.—Quality?

Sri S. SRINIVASA IYENGAR.—Same quality, provided other conditions are satisfied. That is my information. I do not know how far it is true. I am only placing it before the House as a Legislator and I want to know whether what I have just indicated corresponds to absolute truth or not. If facts are contrary to what I have said and if the truth is otherwise, I stand corrected. And further more Sir,

Mr. SPEAKER.—The Hon'ble Member is making such serious allegations which may or may not be baseless. That you have no personal knowledge you have admitted. The Hon'ble Member should be cautious in his remarks.

Sri S. SRINIVASA IYENGAR.—It is not possible for me to have personal knowledge because, I am neither on the Committee nor am I a racegoer. People of all parts of India come there.

Mr. SPEAKER.—That is all right. The history of racing we know and you yourself have traced the short history of the Race Club. But you are making serious allegations and unless you are satisfied yourself, it is not desirable that such allegations should be made.

Sri S. SRINIVASA IYENGAR.—That is why Sir, I said I am placing this information at the disposal of the

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Government and let Government investigate the matter and correct me. That is why I have always qualified all the sentences. I request the Government kindly to investigate and correct me if correction is necessary. That is all Sir.

*Sri H. SIDDAVEERAPPA (Minister for Home and Industries).—Sir, although I am residing in 'Race View', I have not yet visited even one Race. My friend Sri Srinivasa Iyengar, gave us certain impressions of the transactions in the Race Club. He has qualified his sentences and he himself admitted that what he has said is all hearsay, because he prefaced every sentence by saying 'I am told', 'I have heard'. Therefore, I do not know how to reply to a statement of this nature.

I shall therefore briefly refer to the constitution of the Committee as it is. Sir, I may invite the attention of the Hon'ble House to the constitution of the Committee as per the Rules of the Bangalore Race Club. The objects of the Club are to carry on the business of the Race Club in all its branches and to pursue all such activities connected therewith as the Members of the Club in the general meeting assembled may approve. It is said that the membership is limited to 150 excluding the Patron and the Vice-Patron and the following members who shall be invited to become the Club Members without election: The stewards nominated by His Highness the Maharaja under Rule 41, a Committee Member nominated by His Highness the Maharaja under Rule 46, Steward nominated under Rule 41 and the Committee Member nominated by the Government of Mysore under Rule 46. Therefore, so far as the Membership is concerned, a limit has been prescribed under clause 8 of the Rules of the Bangalore Race Club. I do not know how I can add anything more so far as this is concerned.

5-30 P.M.

With regard to the Steward, I shall presently allude to what my friend has stated. So far as the Mysore Government are concerned, they have the power to nominate one Steward and 2 members of the Committee under Rule 46. Brigadier Dhillon who is the Sub-Area Commander here is the nominee of the Mysore Government as a Steward and Sri L. S. Venkaji Rao is a member of the Managing Committee; Sri K. N. Guruswami who was a member of the Managing Committee as a nominee of the Government of Mysore resigned in May 1953 and that place is yet to be filled up. So far as the nominees of His Highness the Rajpramukh are concerned, Sri P. Medapa, Chief Justice of Mysore is the Steward and Sri Abdul Wajid is a member of the Managing Committee; they have been nominated by His Highness the Rajpramukh. The rest are all members. According to the rules as laid down, some of them have been elected any they discharge their functions accordingly. My friend said that the Government have ample powers of interfering if they find that the affairs of the Committee are not well managed. If the affairs of the Club are not well managed, in other words, if there is any room for any apprehension that the management is not all right. I repeated several times when I replied to his interpellation, I will get that aspect of it legally examined. I was very correct in my reply and I would like to repeat it once again; not knowing what the legal position is, I do not want to commit myself, but, if the law is on the side of the Government as it stands and if there are any reasonable apprehensions *prima facie* wherein the Government deem fit or necessary in the public interests to interfere, I may assure the Hon'ble Member, the Government will not shirk, the Government will not fail to discharge its duties if it is otherwise called upon. So far I am given to understand that the nominees of

the Government are expected to submit or keep the Government orally informed. I do not know what it means.

Sri S. SRINIVASA IYENGAR.—Orally informed !

Sri H. SIDDAVEERAPPA.—That is what I am given to understand. Again I will get it examined and try to find out how far and to what extent I can interfere as the law now stands. It is no doubt true, if one sees the figures according to the budget, that the profits year by year are dwindling. I may just give some figures for the consideration of the House. On 31st March 1953 the profits stood at Rs. 15,447-10-8 ; on 31st March 1952, the profit was Rs. 58,347-13-10 ; on 31st March 1951 it stood at Rs. 29,190-6-5 ; on 31st March 1950 it was Rs. 24,525-15-3 ; on 31st March 1949 the profit was Rs. 3,32,198-10-9. I am only giving the figures. I do not know how it has happened.

If possible and if the law allows, I would certainly like to probe into and find out how the profits are so low as can be seen from the figures themselves. My friend said that so far as the constitution of the committee is concerned, Government may reconstitute, if I have understood him correctly. He referred to the services of Sri Gundappa Gowda in the Management of the Bangalore Race Club. As I have already said, the limited powers of the Government under the rules are now brought to the notice of the House. I just do not know whether it would be possible for the Government to interfere at this stage. That is again a matter for examination, if found necessary. If there is at least any semblance of truth in some of the allegations made by my friend with regard to the loss of this year, I should say, it would not be possible for me either to say 'yes' or 'no', because the figures have not been received by me and it would not be correct on my part to hazard any guess.

With regard to the totalizator and bookmakers, I have already vaguely heard that it is possible that, if bookmakers make up their minds there may be room for mischief. That is only a possibility that I have heard. Whether it is an actuality in the Bangalore Race Club is a matter that requires to be looked into.

There cannot be two views that, so far as the steward is concerned, he must be a gentleman to the core, because he is actually the gentleman who controls the destinies of those race-goers who go there. There cannot be any two opinions so far as that is concerned. The steward is an Officer who directs the race meeting. He is one of the supreme commanders of the whole show. He has enormous powers. He is expected to be a man with a full knowledge of horses and horse-racing. More than anything else, he is expected to be a man of exemplary character, with a high sense of justice and fairplay and a man who commands universal esteem and popular support. I have no material before me to say anything against the present steward. That is all what..

Sri B. NARAYANASWAMY (Mysore City—South).—What about the vested interests ? Should he or should he not bet ?

Sri H. SIDDAVEERAPPA.—He should not at all bet. That is provided in the rules itself. It is one of the fundamental principles, as laid down in the rules.

Sri B. NARAYANASWAMY.—Can he own race-horses ?

Mr. SPEAKER.—You need not answer these questions.

Sri H. SIDDAVEERAPPA.—My friend, Sri Srinivasa Iyengar, for whom I have the greatest respect, has raised this question merely in the interests of the public and in the interest of those that go to the Race Club and in the interests of the Government also to safeguard Government money. I thank the Hon'ble Member for having given an occasion to raise this discussion. So far as the Government are concerned, I may assure him they will do their very best to redress any wrongs if there are any.